CITY OF DELTONA, FLORIDA ECONOMIC DEVELOPMENT LAKESHORE ECO-ECONOMIC & MICRO-INCUBATOR STUDY SUB-COMMITTEE MEETING FRIDAY, JUNE 14, 2013

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A Regular Meeting of the Economic Development Lakeshore Eco-Economic & Micro-Incubator Study Sub-Committee was held on Friday, June 14, 2013 in the City of Deltona's 2nd Floor Conference Room at 2345 Providence Blvd., Deltona, Florida.

1. CALL TO ORDER:

The meeting was called to order at 3:34 p.m. by Chairman Braddy.

2. ROLL CALL & DETERMINATION OF QUORUM:

16	Chairman	Roy Braddy	Present
17	Vice Chairman	John "Jack" Kesler	Present
18	Sub-Committee Member	Tanya Boggs	Absent (excused)
19	Sub-Committee Member	Joe Cerrato	Absent (excused)

Sub-Committee Member Absent (excused) **Sub-Committee Member** Present Janet Devette **Sub-Committee Member** Rob Field Present **Sub-Committee Member** Christine Peacock Present Staff Liaison Jerry Mayes Present

Also present: Tracey Sandell, resident.

3. PLEDGE OF ALLEGIENCE: Pledge was recited.

4. APPROVAL OF MINUTES & AGENDA:

A. Adoption of the Minutes – May 15, 2013:

Chairman Braddy asked if everyone had a chance to review the minutes from May 15, 2013 and if there was any discussion; if not a motion is in order.

Motion was made by Vice Chairman Kesler, seconded by Mr. Field to approve the minutes for May 15, 2013 as published.

Motion carried with members present voting unanimous.

B. Additions or Deletions to the Agenda:

5. WELCOME OF GUESTS & PUBLIC:

 Chairman Braddy asked Ms. Sandell to introduce herself and welcomed her to the meeting.

<u>6.</u> <u>CITY LIAISON REPORT:</u>

A. Update on the June 10th Commission Workshop results on reports/recommendations.

Mr. Mayes gave an update on the June 10th Commission Workshop, the results of the report and the recommendations. He stated the Commission accepted the reports and recommendation that the Lakeshore Eco-Economic Study and the Micro-Incubator Study be assigned to staff.

<u>7.</u> <u>OLD BUSINESS:</u>

A. Public Sector Participants' contributions:

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Ms. Sandell stated that she sits on the Ed-Med Sub-Committee and is involved in the formation and development of the Deltona Business Association. She stated she also sits on the board for the West Volusia Young Professionals Group; she is a Deltona resident, a Deltona business owner and a real estate broker handling both residential and commercial in Volusia and Seminole Counties. She stated she also has a masters in leadership and international real estate.

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Chairman Braddy asked to go back to the City Liaison Report and commented that the sub-committee had asked to be re-assigned by the City Commission to the Commerce Park Sub-Committee since the sub-committee had completed their two tasks and the Commission did. Mr. Mayes stated that as of the end of today's meeting the Lakeshore Eco-Economic and the Micro-Incubator Sub-committees will be disbanded and be reformed as the Commerce Park Research Sub-Committee. Ms. Peacock stated she wasn't familiar with the commerce park sub-committee and would need to be brought up to date. Mr. Mayes stated he would do that under Item 8 New Business.

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8. NEW BUSINESS:

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A. Discussion on any follow-up from the Commission meeting:

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50 51 Chairman Braddy stated the Commerce Park was this sub-committee's original task in 2012 that had been assigned by the Commission. He stated the sub-committee was not able to accomplish that task all at once so they decided to do it in steps; that is where the micro-incubator came in as that was where Deltona's client base would be and then they could build off of it. He added as the sub-committee was working on the micro-incubator Mr. Mayes did some research and found some potential sites for a commerce park. Mr. Field commented in 2012 the committee reported there was too much slack in the commercial real estate market to justify adding more into the market and he hasn't seen anything in the data that would suggest anything has changed. He asked if anyone had seen anything different. Mr. Mayes answered the marketplace hasn't changed however the focus has changed because of where it is located and at this time Mr. Braddy and others are working on a white paper for discussion later on. He drew a diagram of the Howland Blvd. interchange at I-4 off Graves which is the only active industrial site in the City. He described and illustrated on the diagram that area as being owned by Mr. DeMarsh, Mr. Smith and Mr. Fair for roughly 260 acres that is zoned basically industrial; it adjoins I-4 and has good capability from Graves Ave. and Normandy Blvd. both of which may need to be expanded in the future. He explained what has changed is this is not a small building with four small businesses in it; it would be called is a commerce center. He asked Chairman Braddy to address what we are talking about. Chairman Brady began by explaining what kind of business would be interested. He commented that his background is in logistics and he suggested a distribution center so he and others have been working on a white paper and thinking this is a perfect spot. He stated every time a carrier leaves the highway or crosses a town or city it loses time and money. He stated you have easy on and off with good access and you would never have to go into a heavily populated residential area. He stated that residents of Deltona would get good paying jobs and an average sized distribution center would employ about 50 people per shift plus a staff of 20 and usually run 3 shifts 7days a week. He stated ultimately it could employ 500 – 700 people over time. Mr. Field asked Mr. Mayes if there was a time frame if a deal was struck tomorrow for the paycheck to start. Mr. Mayes stated if the land was purchased tomorrow they would have to go through the normal process of engineering and permitting with the City and or the County and if there were no complications it could be 6 months to a year to groundbreaking. Mr. Field suggested with that you are looking at mid-2014 so the economy would have to be strong enough to justify an increase in demand for goods to be worthwhile. Mr. Mayes stated Chairman Braddy is the head of logistics for Hudson Technologies/Hudson Tool, a large company and what he says you cannot take with a grain of salt. Chairman Braddy stated it is all about location especially if the cost of diesel goes up and a location right off I-4 would become prime real estate because we are talking about overhead cost. He suggested if the economy should go lower the competition between freight companies like ABF or FedEx is fierce and if they can save money on each

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load on about 200 loads a week they will be interested. He stated we have the workforce, housing and infrastructure to support this and the reason there is nothing there now is it has never been offered. He added it has always been a prime piece of real estate. He stated we are doing this white paper to turn it over to Team Volusia to market it and help search for a business as they are paid by the City to do this. He added that the people that are helping him write the white paper are in this industry; he is looking at this from the business end and they are on the inside looking out. He commented that he does have a contact that has expressed there may be a prospect if we get close on this task. There was discussion on other types of businesses. Ms. Sandell asked if there had been consideration of the creation of buffers to shield other businesses from an industrial zone. Mr. Mayes pointed out the areas that would be considered as buffers which belong to Mr. DeMarsh; we are in talks with him and we do not necessarily want an industrial park being in view of the movie theater. He stated he, Mr. DeMarsh and his representative have been soliciting entertainment businesses such as Dave & Busters of Chuckie Cheese for the area in the back and have the retail businesses near the front side. He stated on June 24th he will be meeting with four utility providers to determine where they are now, how close are they, how long would it take for them to get on site and what would it cost to get on site. He stated once we get those answers all three of the owners have agreed to meet to discuss and hash out a memo of understanding so we can work together to market the property. He concluded by stating this is where staff has moved this to so far and that is what this sub-committee will be thinking about and working on. Ms. Peacock asked if any discussion of a Heathrow type area had gone by the wayside. Mr. Mayes answered no and pointed out the area they were trying to preserve. Mr. Field also commented in the past few years there had been discussion about a Heathrow/Winter Park style multi-use commercial/residential area and activity center and Mr. Mayes has described how the area south of Mr. DeMarsh's theater could be included so it would not affect those plants. Mr. Mayes stated if all we get is distribution centers then let's put in distribution centers but make them look nice and we will get the jobs and ad valorem tax. Chairman Braddy stated the thing about distribution centers is they breed companies because of the convenience of being able to go there and pick up packages and not have to wait for a driver to deliver them. Mr. Field expressed concern that the distribution centers would overshadow other development. Mr. Mayes suggested the sub-committee work to get one distribution center and see where that goes. Ms. Sandell recommended the members visit the space off of Williamson Blvd in Daytona where the North Star Food distribution center is located; it is a beautiful campus with fountains and acres of grass to make it beautiful. She added the industrial park campus on the Mason Rd. Extension is another beautiful area with lots of businesses and storefronts and would complement an area such as an activity center. There were some concerns with the truck traffic but Mr. Mayes commented that is something that will have to be dealt with and we have to ask ourselves if we are willing to work with the truck traffic to get 500 decent good paying jobs and increased ad valorem taxes. Chairman Braddy stated any company that may be interested will have professional people on staff that will come out and survey the area for access, turn radiuses, etc. for feasibility. He added this location is very marketable. Mr. Mayes invited the members to attend the meeting with the utilities on June 24th and listen to what is going on but reminded them that they will not be able to speak as this is a staff meeting; we can have discussions at the next sub-committee meeting. He commented that the meeting between Mr. Fair, Mr. DeMarsh and Mr. Smith he mentioned earlier may be a private meeting between them only however they may ask for information from the meeting on June 24th. Mr. Field commented he understands the logistics of it now but he still has a hard time getting all the for sale signs out of his head. Mr. Mayes stated bottom line we want to develop this area and we want to do it right; this is our task and the report will include information from the utilities and the land owners along with the sub-committee's research and there may be some homework assignments. He added Chairman Braddy's white paper may end up being a major part of the report and it may be that this report will go to the Commission with a recommendation to accept it, approve it and assign it to staff because there is already a distributor purchasing property there. He reminded everyone that they must communicate with him and he will distribute any communications to the other members because of the sunshine laws. Mr. Field asked Chairman Braddy if this was his opening position on the most practical route to solving our problem. Chairman Braddy answered it is the best option that Deltona has to offer any kind of an industrial or

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commerce park to a client but that does not mean we are limited. He stated we have also discussed property off of Hwy 415 because of the Sanford airport. Mr. Mayes commented people look at Orlando-Sanford Airport as just bringing in tourists however there are large shipments of freight coming in from Europe; that is where the money is and the tourists are basically just paying for the gas.

B. As applicable, discussion on potential new topics: None

9. MEMBER COMMENTS:

Ms. Peacock commented she was excited about the new task.

There were no other comments from members at this time.

10. PUBLIC COMMENTS:

Ms. Sandell commented she noticed that all of the Commissioners seemed to have similar trains of thoughts in questioning when presented with different topics and the sub-committee should keep that in mind when submitting their report. She explained some may be more excited about industrial parks; some are more excited about costs and some need things explained and broken down. Mr. Mayes reminded everyone that the sub-committee is not asking the Commission to spend money; you are asking them to approve it so staff can work on it and staff will come up with costs. He added in this case there will not be any initial costs to the City; the City will not be paying to run the utilities and the City at this point will not have to expand Normandy to get to the point of the report. He commented staff will work through developer's agreements if Normandy is expanded which would be most likely a City/County/Developer shared cost.

Chairman Braddy commented that the sub-committee's job is research, find the data so the Commission can make an intelligent decision and that is it.

11. CONFIRMATION OF NEXT MEETING DATE, TIME AND LOCATION.

Next meeting scheduled for Friday, July 12, 2013 at 3:30 p.m. in the 2nd Floor Conference Room.

12. ADJOURNMENT:

Motion was made by Mr. Field, seconded by Vice Chairman Kesler to adjourn the meeting.

Motion carried with members present voting unanimously.

Meeting adjourned at 4:36 p.m.

ATTEST:	Roy Braddy, Chairman	

Janet Day, Admin. Assistant II